

**Ivanitska Svetlana**

PhD, Associate Professor

**Ageicheva Anna**

PhD, Associate Professor

**Vasyuta Viktoriya**

PhD, Associate Professor

*Poltava National Technical Yuri Kondratyuk University*

## **ORGANIZING ACTIVITY OF TRADE UNIONS AS SOCIAL PARTNERSHIP SUBJECT**

*To investigate main principals of Trade Unions in historical aspect from economic point o view. To formulate recommendations for Ukrainian Trade Unions based on world experience. Systematic tools used to find, collect, analyze and interpret information are planning resources, data collection, research ethics and key concepts in research. The features of the trade unions functioning in different countries and their role in social partnership are determined in the article. Their advantages and disadvantages in terms of application opportunities in Ukraine are analyzed. The trade unions activity efficiency in Ukraine analysis is conducted. It was revealed that Trade Unions Federation of Ukraine affiliates during recent years are actively developing the potential of collective bargaining process. The main implementation problems of certain areas of trade union activity in Ukraine are determined. Proposals for better developing a concept of trade union protection activities aimed at the fulfillment of their basic functions are formed. Recommendations on strategy development activities of trade union organizations in Ukraine in the context of European integration of the social partnership system are given.*

**Keywords:** *trade unions, social partnership, trade union movement, employees, employers, collective bargaining, strike.*

Mass organizations of employees, based on their common interests in the labor process and intended to improve the living and working conditions of its members take the leading place among the allocated interest groups on the basis of social, trade unions. The unions emerged in the second half of the XIII century in the UK as an association of highly qualified workers which were united to defend their professional interests. The first trade unions were local. During the XIX century sectoral industrial unions appeared, national trade union centers (associations) established.

Gradually trade unions social base expanded: in addition to highly skilled

workers, they began to merge as semi-skilled and unskilled workers and later employees. At first trade unions were created mainly in the sectors of material production, and subsequently spread to the non-productive sphere. Slowly they turned into the most massive and powerful workers' organizations.

In parallel with the development of the trade union movement, aimed to protect the employee's interests the organization of means production owners and entrepreneurs was formed. There are national associations of entrepreneurs, acting as the main partner of the trade unions in the negotiations and in the conclusion of transactions by employees working conditions in all countries with developed market economies. Exactly the trade unions and various business associations are the main pressure groups on the state administrative authority and governance at all levels.

Various aspects studies of trade union activity is reflected in the works of many Ukrainian and foreign researchers, such as: Bolotina N., Dahrendorf R., Kostyuk V., Kiselev Ya., Kolot A., Lazor V., Lazor L., Livshits G., Marshall A., Müller-Armack A., Nikoforov V., Orlovsky Yu., Osovoy G., Prylypko S., Protsevsky A., Plakhotyna N., Repke V., Yaroshenko A., Zhukov V. and others. Despite the large number of publications on this problem there are still many issues to regulate trade union activities remain relevant in modern conditions and need to be improved.

Systematic tools used to find, collect, analyze and interpret information are planning resources, data collection, research ethics and key concepts in research. Trade unions are public organizations that unite citizens connected by common interests according to occupation or direction of their professional activity. They are mass voluntary non-profit public organizations that are supposed to protect the employee rights.

Trade unions as defenders and voice for employees designed to fight and defend the social, economic and professional rights of workers, to fight for social justice, for human help in creating proper working and living conditions.

Trade unions organization forms can be varied. As a rule, the entry criterion is member's profession (casters, accountants, transport workers, etc.). Such an organization on a professional basis is common in Denmark, Iceland, and the UK and

in other countries. At the same large enterprise employees interests can be represented by a dozen trade unions. Another membership criterion can be economic branch (metallurgy, coal industry, etc.). Such trade unions are typical for Germany, France, Italy, Norway and Sweden. In this instance, the enterprise operates much smaller unions - maybe even one for the workers and employees. The Swedish builders' trade union is the largest in the country. It unites 160,000 members, 120,000 members work, and 40,000 are pensioners [2, p.13].

The third option, which is characteristic for Japan, Switzerland and other countries, is different by the fact that each company has its own trade union, which significantly affects the difference in wage levels in various companies. The main goal pursued by the unions, is to improve the level of wages, preserving jobs for union members, workers involved in the management of production and distribution of manufactured products, as well as working conditions improvement. Entrepreneurs, protecting their rights and interests as the owners of the production means, social partnership see the possibility of a coherent technical, economic policy without shocks and conflicts. Employers have the primary responsibility for the results of management, proper working conditions providing and the size of its payment and workers' social protection financial support.

In Japan, the management takes the union as a legitimate mediator between the owner of the company and the workers in the question of salary. But as Japan's trade unions are not divided according to occupation, and are one of the company union workers, they share the values of management, as the productivity, profitability and growth. Trade unions in Japan are constantly looking for ways and means of improving the lives of workers, without prejudice to the firm. They understand the workers living conditions ultimately depends on the company's prosperity. Heads of Japanese companies pay great attention to the welfare of their employees.

Now, in many countries, workers no longer have a need for the trade unions, the proportion of workers involved in various associations, gradually decreases. According to the UN membership in the American trade unions was the highest in 1954 - 35%, and it already accounts for 11% in 2014. In the EU, the average

percentage of employees which are in trade union is 22%. The share of workers in trade unions varies greatly from developed countries: the vast majority of the Nordic countries (Finland - 79%, Denmark - 77%), one-fourth to one-third in Italy (33%), the UK (28%) and Canada (29.4%), less than one fifth of Germany (19.9%), Japan (19.8%), Australia (18.5%) and in France - (7.8%). To a certain extent the decentralization trend of labor relations in the different countries of the labor markets (reduction of collective bargaining to the enterprise level) and the individualization of labor relations (replacement of collective agreements and contracts on individual agreements and contracts) [4, p.83] contributes to it.

In Germany, the dual system has historically been represented the interests of workers unions and works councils: the trade unions negotiate on tariffs and are responsible for the socio-political activities to improve the lives of employees; works councils represent the interests of employees with domestic production conflicts with employers.

Germany's Constitution guarantees the freedom to trade unions formation, the result of collective agreements and the right to strike in order to achieve economic goals. According to formalized in the Constitutional implication about social state, it follows that the goal is the adoption of legislative and financial measures to protect the weak [4. p. 86].

Labor relations in Denmark are characterized by high culture of social dialogue. This is undoubtedly due to the strength of the social partners. The relationship with the employer union regulates collective agreements at the national level. This is achieved by sectoral dialogue without government involvement. Excluding government intervention is the essence of the Danish model. The Danish labor market is built on the concept of self-government. This distinguishes it from many other countries where the market is governed by labor law. In Denmark, employers and employees voluntarily complete agreements concerning payment and working conditions. This idea originated in 1804, when employers and trade unions signed an agreement (the so-called "Agreement of September"), which created the basis for long-term cooperation of the social partners. The main issues of labor

relations in Denmark, for example, wages and working conditions are not regulated by law. The social partners, and not the government or the parliament agree with the terms of relations. Trade unions are in daily contact with members of their organization, negotiating in the workplace, where collective agreement is made. In Denmark, as in Sweden, the principle of representation in the workplace acts. In the same company employees can become the member of only one organization affiliated the trade union centers. Any dispute relating to the definition of belonging to this or that should be resolved by the Executive Board of the three central organizations. Besides a corresponding agreement between the various trade unions is signed [1, p.52].

Finland is a country that has one of the highest rates in the world concerning trade union membership. More than 80% of employees refer to the unions, representing more than 2 million people. There are 76 federations belonging to the three central organizations: (Production staff), (officials, employees) and (academics, teachers). In addition, employers have a very high level of organizational affiliation, four employers' organizations. Three central trade union organizations operate in close cooperation, both in the country and in various international forums. They play an important role in the social development of the country, support the agreement on the level of wages, preparation of proposals for acts of labor legislation and determine the form of production relations. Along with the central organizations of employers and the government, they negotiate not only on wages but also on employment, equal opportunities in the labor market; form the pension system of taxation to encourage the best ideas, the best practices of business in the labor market. Finnish law does not define the minimum wage. It is determined in collective agreements, which cover almost all sectors of the economy. In Finland, as in Sweden, the principle of one trade union in the enterprise has legal force.

Confederation of Slovak Republic Trade Unions is aimed at strengthening the democratic state and its democratic institutions; development of citizens' freedom; strengthening of national economy democratic politics; elimination of all forms of discrimination; reduction of unemployment; creation of new jobs; facilitating the

implementation of the social dialogue principles, the strengthening of trade union rights and the rights of workers in labor law, social security; collective bargaining; promoting health and safety in the workplace. In the Slovak Republic there are two types of collective agreements: between sectoral associations and individual employers; in the workplace between local trade unions and the production management unit. Social dialogue is developing at different levels. There are other trade union centers: The Confederation of Arts and Culture and the Independent Association of Christian Slovakia. They maintain close contact with each other; provide advice on issues such as the promotion of the rights of trade unions and employers. An agreement on bilateral cooperation is signed.

French law protects the rights of employees, especially since the eighties of the last century. The last 10 years stabilization and even some progress in terms of trade union representation in companies can be seen. Most covered in trade union membership are public sector workers: teachers, scientists, doctors and engineers, human resource management in the public sector, managers and energy workers. Another feature of the French model is a high percentage of workers covered by collective agreements. Negotiations are conducted at different levels. Sectoral collective agreements are more favorable than the legislation.

In Ukraine, the rights of trade unions are defined by Art.36 of the Constitution, which establishes that “citizens have the right to participate in trade unions to protect their labor and socio-economic rights and interests”. All trade unions have equal rights.

One of the main directions of trade unions activity is to restore the social dialogue in the country. It is essential for every citizen to have a social protection. It requires a well-coordinated work of all structures: in particular the Government, employers, trade unions and citizens directly.

The independence of trade unions extends their opportunity to influence social policy. In accordance with the Law of the trade unions and their associations are taking part in the definition of the main criteria of the standard of living, cost of living, as well as minimum wages, pensions, social benefits, pricing policy, the

development of social programs aimed at creating conditions for a dignified life and free development human and social protection [3, p. 23].

During 2011-2013 in Ukraine the trade unions through the multi-level social dialogue, collective bargaining process, collective solidarity actions have achieved the growth of payment labor fund, the nominal increase of the size of a living wage and minimum wage, reducing the monetary gap between the size of the base wage unified wage tariff system and the minimum wage board, substantial portion of salary debts payment. Scope of finance for measures to restore general and professional health workers and members of their families at the expense of social security funds, ensured modernizing monthly insurance payments to victims in the production is increased [5].

Trade Unions Federation of Ukraine affiliates are actively developed the potential of collective bargaining process.

The State target social program of overcoming and preventing poverty implementation in 2011, legislative establishment Social Equity Day at the initiative of the trade unions in Ukraine, joint action work flow chart developed by Trade Union Federation of Ukraine to overcome the "zones of social inequity" in the workplace contributed to 3, 7% poverty reduction in two years [5].

The unions reasonably proved to the Government the need of transition to system and integrated planning of social policy, particularly in health and safety. In compliance with the rules of the General Agreement ratified ILO Convention number 117 concerning Basic Aims and Standards of Social Policy, number 155 concerning on the requirements for a national policy on occupational safety, number 174 concerning Prevention of Major Industrial Accidents, number 176 concerning Occupational Safety and Health at mines. Subject to the provisions of the Convention the social partners developed and in 2013 the Parliament approved the State targeted social program to improve occupational safety and health for the period until 2018.

However, a new wave of political and economic crisis in 2014-2015, provoked the introduction of the Government policy of "austerity" freezing the size of a living wage and the minimum wage for almost 2 years, the suspension of the annual

indexation of pensions, cuts in social guarantees and benefits [5].

Despite the protests of trade unions, gradually increasing the retirement age for women, a restriction of pensions to working pensioners, established taxation and deduction war tax levy both from pensions and salaries, canceled partial funding from workers social security sanatorium treatment and children sanitation, reduced the size of the one-time payment for injured at work and their families, employee sick fund.

Under these conditions for more effective workers rights protection Trade Unions Federation united around all the trade union movement in Ukraine, the five most representative unions began to act on a common platform, with unified position.

To promote the workers' interests trade unions applied flexible tactics from the social dialogue, collective bargaining to the organization of collective protest actions. In 2015, through the overt disregard trade union demands and violation Trade Union Federation legislation as part of the trade union organizations joined the national collective labor disputes with the government and employers side [5].

In the struggle for labor and social rights Trade Union Federation actively used the highest international platform: the United Nations, the International Labor Organization, the European Economic-Social Committee, the International Association of Social and Economic Council striving from international financial institutions to stop promoting a policy of “austerity” in Ukraine consider the socio-economic rights of employees, labor veterans and youth.

In connection with the violation of the laws Trade Union Federation has filed a number of complaints to the International Labor Organization, on the failure by Ukraine of ILO conventions to ensure the proper state supervision in the sphere of labor, timely payment of wages, registration of trade union organizations, etc. and achieved certain results. Trade Union Federation has also become one of the initiators of the next national Decent Work Agenda for Ukraine for 2016-2019 development [5].

At the same time, Trade Union Federation and its affiliates do not make full use of the existing potential for the protection of the rights and interests of employees, not always manifest the unity and solidarity of collective action.

The problem is that it was not possible to put into practice the European procedures of social dialogue to solve problems at work, as a result of the implementation of policies by the Government of “austerity” growing social protests, due to significant differences General agreement for a new term is not concluded.

The place and role of trade unions in society is determined by their ability to defend the rights and interests of employees in relations with employers.

In the enterprise, state development, an important place is occupied exactly by the social partnership, as productivity, and hence the volume of production, wages, income for the entrepreneur and the general value of GDP directly depend on it. Neither the company nor the workers, nor the state can not realize their goals without cooperation with each other, and on this basis at the legislative level is necessary to regulate all important aspects of the social partnership, to improve the facilities and training seminars.

The need to develop a clear concept of the protective activity of trade unions is becoming more acute, as it is their main function, but due to the imperfection of the legal system and administrative apparatus is most vulnerable in the implementation mechanism.

In the process of political activity strategy development the trade union organizations should, foremost, to preserve the independence of the authorities. In the future, the role of trade unions will continue to grow. Unions are almost the only body which is there to protect the rights and interests of workers. The only thing is that trade unions need to clarify its objectives and improve working methods. It is necessary to study and take into account the lessons learnt by trade unions in other countries.

Next few years for Ukraine determining value should be the implementation of the Association Agreement and the deep and comprehensive Free Trade Area with the EU. Trade Unions Federation of Ukraine should take part in reforming the country's economy, bringing the industrial relations system, social standards and social protection in line with EU norms and practices. European policy should also promote building social Ukraine and social progress for all in the process of its

implementation. In these circumstances, it is important to use all the available potential and the possibility of trade union structures in order to achieve long-term positive results.

### **Literature:**

1. Tzvih V.F. Models of social partnership: the European choice for Ukraine // Vestnik. Kiev. Univ. Institute of International Relations. Ser. Actual problems of international relations – (2008). – Vol.33, p. 46-53.

2. Nagrebetska I. Ukrainian trade unions with European integration features // Governmental Courier. – 2005 – 26 April. – p. 13.

3. Osovy G. The trade union movement in Ukraine: a new social role, status and prospects of development // Ukraine: aspects of labor. – (2001). – № 8. – p. 18-26; Ukraine: aspects of labor. – 2007. – № 1. – p. 3-9.

4. Tzvih V.F. Social Partnership in Western Europe: corporate model // Vestn. Kiev. Univ. Actual problems of international relations. – (2010). - Vol. 30 p. 81-87.

5. VII CONGRESS FPU. Being at the forefront of the struggle for the working person rights. [Electronic resource]. – Access: <http://www.fpsu.org.ua/napryamki-diyalnosti/informatsijna-robota/9838-vii-z-jizd-fpu-pravam-lyudini-pratsi-efektivnij-zakhist-profspilok9999>